

THE ARIZONA REPUBLIC

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FRIDAY
JANUARY 5, 2001

50c •
Partly cloudy
high 73
low 52
Page B12

'Traffic' ★★★★★

Director Steven Soderbergh creates a modern classic.

PREVIEW



Koetter's rules of order

Arizona State's new football coach sets his priorities.

SPORTS



Morning briefing

About 300,000 Arizona customers left on hold by Qwest Communications will get some relief. The company agreed to pay \$22 million to settle a class-action lawsuit over service delays. **B1.**

Prosecutors will seek the death penalty for an Ahwatukee Foothills woman accused of poisoning her cancer-ridden husband, striking him with a lamp and bar stool, then slitting his throat. **B1.**

Big traffic delays face East Valley motorists this weekend, as two miles of U.S. 60 will close from Alma School Road to Mesa Drive. **B1.**

Labor Secretary nominee Linda Chavez has scoffed at raising the minimum wage and favored cutting Social Security. She has suggested that sexual harassment lawsuits have made America "a nation of crybabies." **A4.**

A band of U.S. veterans reached the Bahamas on Thursday after taking a nostalgic trans-Atlantic voyage to bring the vessel home. **A7.**

A jury will decide whether the tobacco industry should be forced to spend as much as \$500 million on doctors exams for healthy people who don't stop smoking. **A3.**

A wildfire that has destroyed homes and forced evacuations east of San Diego was apparently started by a cigarette tossed from a vehicle, authorities said. **A7.**

Utah officials are considering what to do about the congressional district the state missed out on after Census 2000. **A4.**

The Christmas shopping season turned out to be a disaster for the retail industry, which announced its weakest holiday sales results in perhaps a decade. **D1.**

Market report: Dow industrials -33.34; NYSE -7.00; Nasdaq -49.86; S&P -14.22. **D1.**

The scores: ■ NBA - Heat 81, Nets 78; Timberwolves 105, SuperSonics 92; Knicks 95, Magic 92; Bulls 98, Wizards 96; Rockets 107, Pistons 97. ■ NHL - Senators 8, Lightning 3; Red Wings 4, Stars 2; Devils 4, Islanders 2. ■ Men's college basketball - Duke 99, Florida 72; Wisconsin 49, Indiana 46; Arizona 78, California 75. ■ Women's college basketball - Tennessee 89, LSU 70; Georgia 100, Illinois 59; Purdue 73, Iowa 58; Penn State 92, Northwestern 54; S.W. Missouri State 98, Indiana State 48; Florida 82, Mississippi State 70; Auburn 73, Kentucky 40; Xavier 84, Fordham 66; Vanderbilt 103, Howard 67. **C1.**

For breaking news, go to arizonarepublic.com, the paper's Web site.

French detain local jet-setter

Falcone accused in Angolan arms deal

By Dennis Wagner
The Arizona Republic

He's a Franco-Brazilian jet-setter with international corporations and a taste for German sports cars. His wife is a Bolivian beauty queen with a health products com-

pany and a deep pocket for Valley charities and presidential campaigns. They have a home in Paradise Valley, hang with high society and entertain with champagne and sculptured ice.

Pierre Falcone is an international criminal, and Paris *gendarmes* threw him in jail Dec. 1 and accused him of dealing arms to Africa with the son of the late French President Francois Mitterrand.

Falcone, 46, is in jail on charges of tax fraud, embez-

zement and influence-peddling through his company, Brenco International, according to French and British newspapers.

Falcone and his wife, Sonia, 35, have been part-time Arizona residents since at least the mid-1980s. From Paris, the couple released a statement to *The Arizona Republic* through a Valley representa-

tive Thursday night: "Pierre Falcone is innocent on all charges and will be proven so in the French courts. Once that takes place, they look forward to continuing their many charitable activities as part-time residents of the Valley."

European media said the

See **FALCONE** Page A8

Eco-terror flames up

PHOENIX MOUNTAINS PRESERVE

This house was torched near 16th Street. A neighboring construction site was undamaged.



Jack Kurtz/The Arizona Republic

Arson wave has spread to Phoenix

By Judi Villa
The Arizona Republic

At first he seemed like a mere firebug with a penchant for burning luxury homes under construction.

Then came the scrawled message, "U build — we burn again!" followed by two more notes that talked about saving the environment and warned against future building.

Across the country, eco-terrorists are setting fires, exploding bombs and destroying property to make their points about perceived wrongs involving urban sprawl, logging, abortion and animal rights.

Could the arsonist who has torched as many as nine luxury homes against the Phoenix Mountains Preserve in the past three years actually be an eco-terrorist? Although he has not publicly aligned himself with national extremist groups,

experts say the person or group should not be too quickly discounted. The arsonist has claimed to be part of a group that uses the acronym CSP and is devoted to preserving desert land.

"Not every group is the same," said Jeffrey Simon, president of the Political Risk Assessment Co. in Santa Monica, Calif., and author of *The Terrorist Trap: America's Experience with Terrorism*.

"Sometimes the individual or the two wackos can be just as dangerous as an established group," Simon added.

Theodore Kaczynski, the Unabomber, arrested in 1996, wreaked havoc on the country for nearly two decades all by himself, killing three and injuring 29 in 16 anti-technology attacks from 1978 through 1995.

From 1980 to September 1999, at least 100 major acts of arson, bombings and

See **ARSON** Page A10

Extremist groups have been linked to several arson-caused fires around the country, all under the guise of saving the environment and protecting wildlife.

INDIANA

Firefighters mop up a \$200,000 fire near Bloomington in January 2000.



Bloomington Herald-Times

MICHIGAN

A fire at Michigan State University on New Year's Eve 1999 was determined to be arson.



Lansing State Journal

NEW YORK

Damage to this Mount Sinai, N.Y., house was attributed to the Earth Liberation Front.



Associated Press

Home loan deals aplenty

Owners in rush to secure lower mortgage rates

By Catherine Reagor
The Arizona Republic

The lowest mortgage rates in more than two years have triggered a rush to refinance in the Valley, lenders said Thursday.

The trend started during the holidays, traditionally a slow time for the housing market, as homeowners decided to take advantage of the chance to lower their monthly payments.

But the move by homeowners picked up steam earlier in the week after the Federal Reserve cut short-term interest rates at an unscheduled meeting.

Afterward, the rates on 30-year mortgages dipped below 7 percent, more than a point and a half lower than the average of 8.5 percent last May.

"It's the start of a refinancing boom," said Jay Luber of Phoenix-based Lifestyle Lending Group.

Almost half of all home loans during the holidays were deals done by homeowners renegotiating for lower interest rates. That's more than double the refinancing volume from the fall.

"Homeowners are getting off the fence," said Jim Stanger, regional sales manager for Wells Fargo Home Mortgage, Arizona's biggest home lender. "Most see there's been no better time in the past few years to refinance."

Related story, **D1.**

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Stump wins battle to lead defense panel

By Jerry Kammer
Republic Washington Bureau

WASHINGTON — Arizona Congressman Bob Stump on Thursday won his battle for chairmanship of the House Armed Services Committee, turning back a rival's bid for the post that oversees the nation's \$300 billion defense budget.

"It's a great honor to have your colleagues place that confidence in you," Stump said after learning he had won the nod from Republicans, who control all committees because they are the House's majority party.

Stump, a World War II Navy veteran and longtime cotton farmer, said one of his principal goals as chairman will be to improve recruitment and retention in military forces that he said have been depleted because of neglect by the Clinton administration.

"We need to raise their pay and improve their equipment," the Tolleson Republican said. He also has advocated cutting back on U.S. commitment of forces in peacekeeping roles overseas, saying they impose too harsh a burden on troops who repeatedly are forced to sep-



Arizona Rep. Bob Stump is a World War II Navy veteran.

arate from their families. Stump's victory sparked jubilation in the West Valley

See **STUMP** Page A11

McCain flexes political muscle, **A9.**

Clinton declares forests hands-off to developers

By H. Josef Hebert
Associated Press

WASHINGTON — Seeking a legacy as a protector of public lands, President Clinton today will declare nearly 60 million acres of pristine federal forests off-limits to road building and most logging, administration officials said.

Arizona has nearly 1.2 million acres of roadless areas in federal forests that would be subject to Clinton's plan.

The president, acting about two weeks before he leaves office, will set aside nearly a third of all the forest land owned by the federal govern-

ment for special protection. The move comes even as congressional Republicans are urging the incoming Bush administration to find ways to reverse the decision.

The new forest plan, similar to a November proposal, has come under intense criticism from some GOP lawmakers and the forest, mining and energy industries. President-elect George W. Bush has expressed concern about the sweeping nature of the plan.

Last week, Rep. Jim Hansen, R-Utah, wrote Bush and Vice President-elect Dick

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